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INFO RUEHBK/AMEMBASSY BANGKOK PRIORITY 4281

RUEHBJ/AMEMBASSY BEIJING PRIORITY 8395

RUEHBY/AMEMBASSY CANBERRA PRIORITY 2289

RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 2025

RUEHJA/AMEMBASSY JAKARTA PRIORITY 4286

RUEHKL/AMEMBASSY KUALA LUMPUR PRIORITY 1826

RUEHNE/AMEMBASSY NEW DELHI PRIORITY 8363

RUEHUL/AMEMBASSY SEOUL PRIORITY 4460

RUEHGP/AMEMBASSY SINGAPORE PRIORITY 7052

RUEHCI/AMCONSUL CALCUTTA PRIORITY 0010

RUEHCG/AMCONSUL CHENNAI PRIORITY 0185

RUEHFK/AMCONSUL FUKUOKA PRIORITY 2574

RUEHBI/AMCONSUL MUMBAI PRIORITY 0250

RUEHNH/AMCONSUL NAHA PRIORITY 4997

RUEHOK/AMCONSUL OSAKA KOBE PRIORITY 6187

RUEHKSO/AMCONSUL SAPPORO PRIORITY 3336

RUEKJCS/CJCS WASHINGTON DC PRIORITY

RUALSFJ/COMUSJAPAN YOKOTA AB JA PRIORITY

RHEHAAA/NSC WASHDC PRIORITY

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C O N F I D E N T I A L SECTION 01 OF 03 TOKYO 003765

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SUBJECT: WEAKENED PRIME MINISTER ABE TO VISIT INDIA,
INDONESIA, MALAYSIA

Classified By: Charge d'Affaires Michael Meserve for reasons 1.4(b) and
(d)

¶1. (C) SUMMARY: Japanese Prime Minister Shinzo Abe, weakened by his party's defeat in last month's Upper House elections and facing dropping support from the public and rising criticism from within the LDP, will depart Tokyo August 19 for a visit to Indonesia, India, and Malaysia. He returns to Japan August 25. PM Abe will take with him a sizable Japan Business Federation (Keidanren) delegation. In Indonesia, Abe will sign an economic partnership agreement. In India, he will address the Indian Parliament and hopes to bolster an already close relationship based on shared values and strategic interests while, at the same time, encouraging India to seriously address the issue of climate change. It is unclear whether Abe will offer Japan's support for the United States-India agreement on the peaceful use of nuclear power. He is scheduled to announce a 600 billion yen loan to help construct a high speed freight rail line linking Mumbai, Delhi, and Kolkata. In a move that may potentially provoke China, Korea, and others, Abe plans to meet with the son of Indian Justice Radhabinod Pal, the sole judge on the Japan war crimes tribunal to dissent from the verdict and declare all of the Japanese accused of war crimes "not guilty." Abe's visit to Malaysia will focus on bilateral relations.

END SUMMARY.

INDONESIA

¶2. (C) Prime Minister Abe will arrive in Jakarta August 19. He plans to boost ties with Indonesia by signing an economic partnership agreement (EPA) and an environmental energy cooperation agreement, MOFA Second Southeast Asia Division Deputy Director Isamu Ishikawa told an Embassy Tokyo Political Officer. The EPA will include a clause that will ensure Japan has continued access to Indonesian natural gas

supplies and will require Indonesia to notify Japan prior to curbing natural resource exports, according to press reports.

Japan will commit to help Indonesia improve its energy efficiency under the environment and energy cooperation agreement, Ishikawa explained. Abe's efforts to move forward on environmental cooperation with Indonesia is meant to signal his ongoing commitment to stepping up international cooperation on climate change; Abe is raising environmental issues during all of his summit meetings and Japan will emphasize climate change during the 2008 G-8 Summit, Ishikawa noted.

¶3. (U) In addition, the trade pact will eliminate tariffs on about 92 percent of bilateral trade by value, according to press reports which indicate 96 percent of Japanese exports to Indonesia will become tariff-free, while about 93 percent of Indonesian exports to Japan will be exempt from tariffs. Japan will immediately remove tariffs on Indonesian forest products and shrimp and will expand imports of tropical fruit. Indonesia will remove tariffs on Japanese steel products used in the automobile and energy sectors.

¶4. (C) Prime Minister Abe will also raise bilateral cooperation on the environment, energy, avian flu, maritime security, peace building, and will discuss North Korea with Indonesian President Yudhoyono during a August 20 summit meeting, Ishikawa said. Japan is contributing to regional maritime security by providing Indonesia with three patrol vessels (a move requiring an expansive interpretation of Japan's ban on arms exports.) Japan recently finished building one of these vessels and will supply the other two by the end of the year. PM Abe will make a speech exalting ASEAN in a bid to increase regional cooperation and will

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discuss strengthening bilateral economic ties with Vice President Jusuf Kalla. The members of his business delegation will accompany him to a Japan-Indonesia Business Forum in the afternoon. PM Abe will depart Indonesia the morning of August 21.

INDIA

¶5. (C) India is considered by Prime Minister Abe to be one of Japan's most important relationships, according to Ryuji Sakaue of MOFA's Southwest Asia Division. Abe firmly believes that India and Japan share the same values - democracy, rule of law - and strategic interests - open sea lanes in the Indian Ocean and Straits of Malacca - and will take advantage of his visit to emphasize the need for close ties. Following his arrival in New Delhi the afternoon of August 21, he will meet with Indian-Japan Friendship groups. On August 22 Abe will first meet with newly-elected President Pratibha Patil and, later that morning, will address the Indian parliament. According to Sakaue, Abe plans to use this opportunity to discuss his vision of the future of Asia and of the importance of the Indian-Japanese bilateral relationship, and hopes this will be one highlights of his trip. Sakaue noted Abe will be the first foreign leader to address the Indian Parliament since former President Clinton in 2000, and the first since PM Singh assumed office. That day he will have lunch with Indian economic organization members. He will hold senior level talks in the afternoon and meet with PM Singh at 6:00 PM, followed by a dinner hosted by Singh. On August 23 Abe will fly to Calcutta where he will attend the opening ceremony for a new Indian-Japan Cultural Center and then have lunch with the Governor of West Bengal. He will depart Calcutta for Kuala Lumpur that evening.

¶6. (C) Sakaue explained that PM Abe plans to make climate change a major issue of his visit, and said there are two joint statements planned, one dealing in general with the bilateral relationship, and a second "special" joint statement addressing the environment and energy security.

Abe will urge India to take seriously the subject of climate change and will encourage cooperation in the fields of energy savings and infrastructure. In keeping with a major theme Japan will be pressing at next summer's Hokkaido G-8 summit, Abe will stress it is important that major emitters, like India and China, support global efforts to address climate change.

¶17. (C) Concerning India's agreement with the United States on the peaceful use of nuclear power, Sakaue said Japan has not determined whether it will lend its support, although he recognized that gaining such support is a major objective for India. Japan, he explained, needs to know more about how the accord between India and the IAEA will work, and while he is hopeful a positive response will be forthcoming, he said it will be difficult for PM Abe to express a concrete position during this visit.

¶18. (C) Enhancing the security relationship between India and Japan will be discussed, but only in general terms, said Sakaue. The purpose of the talks will be to confirm that India and Japan share the same intentions with regard to naval and other military cooperation.

¶19. (U) While in India Prime Minister Abe will also announce the provision of a 600 billion yen (\$5 billion) loan over five years to help facilitate the construction of a 2,800 kilometer high-speed freight railway linking Mumbai, Delhi and Kolkata, which is expected to be completed in 2012, according to press reports. In addition, PM Abe plans to

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finalize a currency swap agreement with India during the visit.

¶10. (U) In an ill-considered move that may well provoke China, Korea, and others, but will be applauded by the Japanese right wing, Abe is planning while in Kolkata to meet with the son of Justice Radhabinod Pal, the Indian judge who sat on the International Military Tribunal for the Far East's war crimes trials and who was the sole judge who dissented from the guilty verdicts handed down against the Japanese defendants. His dissent questioned the legitimacy of the tribunal and its verdicts, ruling that the court acted in the spirit of retribution rather than impartial justice and that the guilty verdicts were an example of judgment by victors over the vanquished, writing "I would hold that every one of the accused must be found not guilty of every one of the charges in the indictment and should be acquitted on all those charges." Today there is a large monument to Pal at Tokyo's Yasukuni Shrine which includes his photo and quotes from the dissent. Prime Minister Singh referred to the Pal dissent as an expression of Indo-Japanese friendship at a banquet honoring then Prime Minister Koizumi during his visit to India in April 2005.

MALAYSIA

¶11. (C) Prime Minister Abe will meet with Prime Minister Abdullah Ahmad Badawi and other senior Malaysian officials August 24 to discuss bilateral cooperation, peace-building, the Mindanao peace process, North Korea, the East Asia Summit, counterterrorism, maritime security, climate change, and UN reform. 2007 is Japan-Malaysia Friendship year. In the afternoon he will attend a Japanese-Malaysian business forum at the Mandarin Oriental Hotel followed by a courtesy call with the Malaysian King and Queen. He will hold a press conference in the early evening followed by dinner with Prime Minister Abdullah bin Ahmad Badawi. He will return to Japan on Saturday, August 25.

COMMENT

¶12. (C) COMMENT: While PM Abe would probably like to leave his domestic cares behind, it is unlikely he will be able to do so. Practically the first thing on his agenda upon his return to Tokyo will be to announce the new cabinet line-up, a move that could make or break his plans to avoid being forced to resign by LDP leaders. Sakaue confided to Embassy Tokyo that MOFA is concerned the foreign policy implications of this trip will downplayed by a Japanese media establishment more interested in asking questions about Abe's domestic future. However, as the visit has been planned for some time, so far there has been no political sniping suggesting that Abe forego the trip while his political situation at home remains unsettled.

¶13. (C) COMMENT (continued): As was the case during Abe's April trip to the Middle East, we are hearing that members of the business delegation are not happy about being "dragged along" and are trying to limit their commitment to one or two of the countries on Abe's list, rather than having to accompany him for the entire week. END COMMENT.

MESERVE